

State of the City Address 2016
Mayor Harrison
City of Fremont

Good afternoon.

Thank you for attending this year's State of the City Address.

I want to thank the Fremont Chamber of Commerce for hosting today's luncheon.

It really is astounding that the City of Fremont was founded just 60 years ago when five individual townships

Centerville,

Irvington,

Mission San Jose,

Niles,

and Warm Springs – came together to form the city.

For years, Fremont was overshadowed by our bigger neighbors – San Francisco, Oakland, and San Jose –

but we've continued to "up our game" and make a name for ourselves.

We are no longer known as the end of the BART line
and we are no longer the Bay Area's best kept secret.

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What started out as a rural landscape of farms, ranches, and towns
and a stop along the way for commuters headed to San Francisco and Oakland,
has evolved into an impressive hub for advanced manufacturing and many other
innovative companies.

And an area that was known for explorers,
settlers,
farmers, and suburbia,

is now known for engineers,
innovators,
visionaries,
and a place where all are welcome.

Our City is on its way to becoming a strategically urban ecosystem,
complete with excellent schools,
unique community programs,
an Innovation District,
and a future Downtown that we've started to build up from scratch.

I know our 'founding fathers' would be proud to see how much Fremont has flourished
since its inception.

A couple of months ago, we held a community picnic,
complete with entertainment from local schools.

The formal ceremony concluded with the Council installing a time capsule that will be
opened at the City's 100th Anniversary in 2056.

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And speaking of the Council,

I would like to introduce my colleagues on the Fremont City Council:

Vice Mayor Lily Mei

Councilmember Sue Chan

Councilmember Vinnie Bacon, and

Councilmember Rick Jones.

I would like to thank the City Manager, Fred Diaz,

and the Management Staff,

and all the City employees,

For their contributions to making Fremont a compassionate, innovative, and desirable city to live and work.

Fremont continues to be a regional leader in advanced industries, with continued success in Advanced Manufacturing, Cleantech, and Biotech.

The Internet of Things, or what people are calling the 'IOT', continues to drive a revolution in new hardware technologies and manufacturing

and Fremont is at the epicenter of this activity.

With over 900 manufacturing firms accounting for one out of every four jobs in our city, Fremont is extremely well-positioned to leverage this growing trend of hardware and software convergence.

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So much so that this past January, the Brookings Institution selected Fremont as the location for its Silicon Valley stop about its advanced industries research.

And from solar to batteries,

to EVs and LEDs, Fremont continues to boast one of the largest cleantech communities anywhere.

This City's deep technical expertise in setting up and scaling these operations is a key differentiator

and why we will continue to bet on cleantech as part of our economic strategy.

Some say biotech is the 'other high tech' that's driving Silicon Valley's economic boom.

In Fremont,
we know this to be true,
with biomedical being our single largest sector.

We're number 1 in the region
for the number of biomedical manufacturing companies.

With more than 100 biomed companies overall,
nearly half are manufacturing their products right here in Fremont.

Locally and regionally, we continue to look for partnerships.

In particular, we appreciate the opportunity to prepare tomorrow's innovators,
today,

by partnering with Fremont Unified School District.

Whether it's building a state of the art school at our Innovation District,

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which you will hear about later,
creating a Maker's economy for future leaders of the tech world,

or investing in infrastructure to make sure our kids can get to and from school safely,
we will continue working together for Fremont's future.

The future also looks bright for Tesla.

It was another banner year for Fremont's largest employer.

Most notably, 2015 marked the launch of Tesla's new Model X.

As they get ready to take orders next week for their mass-market vehicle called the Model 3,
we are doing everything we can to support their growth from a facilities perspective.

And the growth has been impressive.

In addition to the main factory, Tesla has leased nearly 1 million square feet of additional facilities in South Fremont,

including the region's largest industrial lease in years at 901 Page Avenue.

We also had some very big reasons to celebrate last year – literally.

Overton Moore marked the completion of their award-winning 700,000 square feet class A industrial development, which 'paved the way' for Fremont Boulevard's extension to Dixon Landing Road,

a critical Silicon Valley connection.

Pivot Interiors, Apple, and furniture retailer, Living Spaces all opened for business.

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Such success must be validation to other industrial developers who also have large projects underway in the City including,

Panattoni

Westcore, and

Prologis,

who is finishing up its new 700,000 square foot Silicon Valley Logistics Park north of Auto Mall Parkway.

This is prime space to not only support our manufacturing economy, but to support the next generation of companies that will service the IOT.

And we were honored to take part in the grand opening of Delta Products' new Headquarters.

Last fall, the company officially opened their 180,000 square foot, LEED Platinum building,

the first of its kind in Fremont, which now serves as an iconic gateway into the Innovation District.

The facility not only uses many of the products that Delta, itself makes, but it also includes an impressive showroom that chronicles the hundreds of technologies that Delta produces.

Business expansion has certainly been robust in the last few years, with anchors like Lam Research

and Seagate technologies,

now both nearing completion of projects that increase their footprint in Fremont.

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And we welcomed some impressive new companies throughout our city from Ardenwood to South Fremont.

Zooming in on SolarCity,

through its acquisition of Fremont-based Silevo,
Its new manufacturing facility is proto-typing some of the most efficient solar panels ever produced.

And a wave of other mid-size manufacturers are migrating to Fremont because of the real estate and supply chain dynamics that exist here.

As part of our strong commitment to business retention,
we visited over 50 companies last year and had the opportunity to learn about new technologies
and to provide them with information, resources,
b2b referrals,
and assistance with City processes.

And our focus on Economic Development's Business walkabouts continues to grow,

making connections with small business owners in our historic districts.

Last year alone,
a team consisting of business associations,
the Chamber,
and City staff from Planning, Police, Public Works,
and, of course,
Economic Development
met with 150 small businesses to listen and learn.

We're also reaching the broader business community through another form of
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engagement,
our Think Silicon Valley business website.

When the site first launched in 2012, there were only 259 online articles that associated Fremont with Silicon Valley.

Thanks to the website and our innovative efforts, that number has jumped to over 3,900 articles in 2015.

I am very excited to announce that last year, Fremont resident and entrepreneur, Shilpi Sharma, helped launch a Fremont-chapter of the global meet-up phenomenon called Startup Grind.

This is the first and only East Bay chapter and the response has been fantastic.

In fact, Fremont's startup culture is validated by the fact that Fremont was recognized as the 6th best place to start a business in Northern California, according to a recent study conducted by NerdWallet,

and a great place for women entrepreneurs to launch their business and to live and work, according to a recent report by Good Call.

And no surprise,

Fremont's Auto Mall continues to be a key economic generator for the City.

We are delighted that future expansion is on the horizon and look forward to welcoming Carmax,

Subaru,

and Audi to Fremont,

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all of which will join our impressive auto mall.

And around the corner,

Vestar is hitting it out of the park at Pacific Commons with a string of new tenants,
and one of the craziest grand openings I've ever seen,
for anyone that went to Cream's!

We'd also like to welcome

Bennigan's

Ono Hawaiian BBQ

Pancheros

Boneheads

Dish 'N Dash

and northern California's first Total Wine—just to name a few.

And moving now to the other side of Interstate 880,

last year, the City was recognized with two awards for our Warm Springs Community Plan.

First, from the Association of Bay Area Governments, or ABAG,

and from the State for its prestigious American Planning Association Award of Excellence in Urban Design.

This recognition did not go unnoticed.

The private sector has been an active partner working with the City toward the creation of this very critical employment center.

Most notably,

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three projects in Warm Springs involving Lennar,
Toll Brothers,

and Valley Oak, totaling 173 acres and will include

1.7 million square feet of commercial space

Over 5,000 jobs, with potential for 20,000 jobs at full build out

4,000 residential units, of which 524 will be affordable units for very-low and low-income families,

6 acres of open space, public park, and plazas,

A full-service hotel,

Incubator and accelerator space,

And a new public elementary school,

which, is a big deal.

In 2015, these developers partnered

to fund, construct and transfer to the Fremont Unified School District a 5-acre K through 5 elementary school, which would be centrally located in the Innovation District.

This commitment is entirely voluntary and exceeds state law mandates.

I applaud these developers for making this significant event happen.

In addition, they will pay school fees to mitigate impacts at the secondary level, as well as construct a joint use 4-acre urban park for the school and community.

We anticipate that construction could start in 2017 and open for students in the fall 2018.

Progress also continues,

as we partner with BART

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on completing plans for an iconic bridge and plaza that will provide a vital pedestrian and bicycle connection from the Warm Springs South Fremont Station,

set to open later this year,

to properties west of the Station, including, Tesla and Thermofisher.

Site preparation work is already underway and we anticipate that construction of the bridge and plaza will break ground in spring of 2017.

And in 2015, WalletHub ranked us as one of the best places to start a career, which is great.

But just imagine the possibilities when the Warm Springs transit-oriented development grows and flourishes,

and the new BART Station opens.

Reminds me of the song,

“You Ain’t Seen Nothin Yet.”

As progress continues in Warm Springs, so does the building of Downtown.

Along the way, we appreciate each opportunity to celebrate a milestone,

including accepting the International Downtown Association’s merit award,

and hosting a grand opening and ribbon cutting event last October

that celebrated the Downtown Capitol Avenue extension, connecting Fremont Boulevard to State Street.

This has certainly created a new “Main Street” feel for Downtown Fremont.

Setting the tone for the Downtown, we’ve incorporated public art.

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“Heartfullness,” which was designed by artist Katy Boynton and is on loan to the City, was originally featured at Burning Man,

and was first unveiled at the Capitol Avenue Grand Opening event.

We’ve also started our next phase of improvements along Capitol Avenue between State Street and Paseo Padre

Building upon our Downtown momentum,

I am pleased to report that Downtown Fremont’s first mixed-use private development called State Street, will break ground in June.

This project is being developed by Summer Hill Homes, TMG, and Sares Regis and is located on the corner of State Street and Capitol Avenue.

This 6-acre development will have 157 residential units with 22,000 square feet of ground floor retail and restaurant space along Capitol Avenue.

Work is also underway on development plans for the new civic center.

Construction of Phase 1 is on track to start in 2017,

and will include a 25,000-square-foot community conference center that we’re calling Fremont’s Downtown Center,

and a 60,000-square-foot urban plaza, about the size of Union Square in San Francisco, that will be a central gathering space for our community and in our Downtown.

Construction of an administrative building to house most of our City services is anticipated for 2020.

Once complete,

this 185,000-square-foot space will improve our operational efficiencies

with everyone being under one roof

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to help better serve the public when coming to City Hall.

Development of both the City's new civic center and the State Street Mixed-Use project are critical in the transformation of the City's Downtown and will permanently serve as the "social heart" of the community.

And while we're building up our Downtown,
rest assured that many of Fremont's signature events will continue to take place.

This includes the patriotic 4th of July Parade, the colorful Festival of India,

and several events where we partner with the Fremont Chamber of Commerce.

As Downtown is evolving, and we've adjusted the footprints of these community events,

I'm thrilled attendance is up,
and new events have exceeded our expectation.

We want to continue bringing people to the Downtown,
to celebrate and connect,
and to ensure its future success.

I'm also pleased that retail interest continues to be strong in our downtown with new development coming soon.

Make sure to try Yalla at the Whole Foods center,
and MOD Pizza at the Hub.

Entertainment is also an important part of a vibrant city
and I am excited to announce that Campo Di Bocce,
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a well-known attraction in both Los Gatos and Livermore featuring bocce ball courts and a restaurant, has purchased the former CityBeach facility.

This will be a great spot for your corporate gatherings.

With extensive progress in both the Downtown and Warm Springs,

we're also taking significant steps toward protecting the environment and battling climate change.

We were named America's 10th Greenest City of 2015 by WalletHub for our high environmental quality and use of clean energy resources.

We signed onto the Compact of Mayors,

a coalition of over 450 cities worldwide publicly pledging to reduce greenhouse gas emissions

and prepare for the impacts of climate change.

And our city is one of 50 semifinalist competitors in the Georgetown University Energy Prize,

a two-year national competition that wraps up this December, offering a \$5 million award to the city that does the best job at reducing total energy consumption.

The U.S. Environmental Protection Agency named Fremont a Green Power Partner for supplying more than 10 percent of municipal energy usage with renewable energy.

And from August through October 2015,

hundreds of Fremont residents learned about the benefits of rooftop solar via the East Bay Sun Shares Program.

It's impressive to note that nearly 700 new residential solar PV systems were installed last

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year.

I challenge the Fremont community.

Let's get to 1,000 residential solar installs by the end of the Georgetown Energy competition in December.

There's \$5 million dollars on the line for Fremont!

As a City, we're not just talking about solar.

We installed 1.2 megawatts of solar generating carport structures at three buildings, reducing our municipal greenhouse gas footprint by 5 percent.

And nearly 1,400 electric vehicles were purchased by Fremont residents in 2015, bringing the total number of EVs in Fremont to nearly 4,000.

In fact, Fremont's 94539 zip code is home to more EVs than any other zip code in California.

And with respect to water,

despite El Nino's persistent return, we're still in a drought.

In 2014, California cities and towns were asked to voluntarily reduce their water consumption by 20 percent.

In 2015 the Governor mandated a 25 percent water use reduction across California.

We reduced our watering schedule,

eliminated watering in strategic areas,

aerated turf,

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and increased mowing heights to improve water efficiency and nutrient penetration.

All these efforts helped us exceed the 25 percent mandated reduction.

We also reduced our water consumption in Parks and Medians by an impressive 46 percent!

And we're always looking for ways to try and save water.

You may have seen some of our grass fields being turned into artificial turf, including our long anticipated cricket field.

We have been told by the Cricket Community that this facility will be the first lit, synthetic turf cricket field in the United States.

Look for it to open this summer!

I'm sure you've also seen new commercial and residential development occurring in our city.

We've made a promise to our children.

A promise of a better life.

We're committed to giving them more than a great education.

We want them to have a desirable place to live and work,
an amazing place to shop and play.

What you're seeing today
is our city living up to that promise to ensure a complete city for them.

A City evolving from the Fremont of 1956

into the strategically urban city that we are becoming.

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In looking at the actual numbers of new residential permits issues,
we've seen very modest growth,
averaging 281 units per year over the past 15 years.

Our residential growth rate is consistent with the rate within the County as a whole, which
is averaging about 1 percent per year.

The majority of the population increase we're seeing is being accommodated within
existing housing stock,
as we welcome new families into our historic neighborhoods.

Over the past 5 years,
commercial vacancy rates are down to historic levels prior to the economic downtown,
with rents rising accordingly.

We've added over 3 million square feet of R&D and Industrial space, resulting in
thousands of new jobs.

And for every 1 advanced manufacturing job added, another 2.2 jobs are created.

Moving on,

We continue investing in public safety and street maintenance,
filling potholes and resurfacing pavement in an effort to make our streets safer,
smoother, and longer lasting.

And we've invested in street infrastructure and
safety improvements

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around more than half of the schools in Fremont, including major intersections, reinforcing our commitment to get kids to and from school safe.

Officially, we've launched "Vision Zero," a plan to improve traffic safety and reduce traffic fatalities to zero.

Our engineers,
law enforcement officials,
educators,
vehicle manufacturers,
policy makers
and the community
are working together to make our streets, people, and vehicles safer.

As part of this effort,
the Police Department has focused their roadway safety efforts around schools,
high speed roadways,
and places where pedestrians often walk.

And you may have noticed our new street markings.
They're an effort to slow motorists down when approaching the crosswalk
to yield to pedestrians and also to separate cars from bicyclists.

Our Police Department does a great job keeping our city safe, and appreciates the strong partnership with the community.

As I speak here today, public safety community video is being installed at major freeway on-ramps across the city.

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Also noteworthy, is that Fremont community members have registered 426 individual camera system locations with the Police Department.

I encourage all Fremont residents and businesses to be part of the solution.

Register your camera with the Police Department to become part of this valuable effort.

Also on the public safety front,

we recently welcomed 14 new Firefighter Paramedics to the City,
all of whom are now stationed throughout Fremont.

We look forward to the third new class of firefighter recruits to enter the academy soon.

And if you've ever dreamed of becoming a firefighter,
police officer,
or a dispatcher, you're in luck!

Fremont is actively recruiting candidates who want a career in public service
and who can fulfill these essential public safety duties for our great city.

A safe city
is a compassionate city.

We've got that covered, too.

In January, we approved the Fremont Compassionate City Charter
and officially designated Fremont as a Compassionate City.

We appreciate the work that members of Tri-City Interfaith Council,

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Human Relations Commission
and others have done
to reinforce that compassion is part of Fremont's DNA.

In advance of El Nino, we made some major improvements at the Fremont Warming Center,

a safe haven for the homeless between 6:30 pm and 7:00 am during those extremely cold and rainy nights we're experiencing.

Located in a wing of our vibrant Senior Center,

a new shower in the restrooms,

as well as hot dinners and to-go breakfasts,

were much appreciated by Fremont's most vulnerable population.

We're grateful for the partnership with

Abode Services,

Senior Center Kitchen staff,

and City Serve Compassion Network,

which organizes volunteers from local businesses,

service organizations and faith-based communities.

I'd also like to thank our funders for their support,

Alameda County Supervisors Scott Haggerty and Richarde Valle,

Alameda County Community Development Department,

Cargill,

And, of course, the City's Human Services Department as the coordinating entity.

And in the spirit of Super Bowl 50,

we celebrated with an evening of

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great food,
entertainment,
and the opportunity to mingle with a few football greats.

We chose to also bring awareness to the Fremont Family Resource Center,

a one-stop shop centrally located in Fremont,
bringing together 24 state, county, City of Fremont, and nonprofit organizations, while
also highlighting the Fremont Innovation District.

We could not have had such a successful event without the help of these major sponsors.

I'd also like to thank Delta Corporation who generously opened their doors,
allowing us to hold this special event in their new headquarters within our Innovation
District.

We raised over \$56,000 to go towards improving and maintaining our legendary FRC.

Speaking of making improvements,

with this year's budget,

we continue to plan for emergency preparedness,
as well as invest in our neighborhoods,
efficient operations,
and Fremont's future.

That includes significant infrastructure investments
with \$24.5 million going to capital maintenance,
\$19.3 million going to parks
and recreation facilities,

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and \$9.6 million to transportation improvements
that will address some of our local traffic.

In order to make prudent local decisions
we must always keep an eye on the national economy,
which is growing but signs are pointing to its uneven pace.

At the local level, we've seen modest growth in four of our key revenue sources:

Property Tax,

Sales Tax,

Business Tax,

and Hotel/Motel Tax.

This news is encouraging,
and has allowed us to implement a neighborhood traffic calming program at priority
locations.

We also created the 50-50 Street Tree Program,
budgeting \$100,000 for us to partner with property owners to help remove and replace
trees throughout Fremont.

This is great news after staffing cuts in 2010 led to the responsibility for maintaining street
trees being returned to property owners.

And more great news!

The Fremont Redevelopment Agency is officially out of business as of June 2015.

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Leading the way to breaking ground on Artist Walk, a 6.5-acre mixed-use development on the former Centerville Unified Site along Fremont Boulevard.

Artist Walk is anticipated to be completed in two years and will transform and revitalize Centerville.

We have waited a long time for this project,
but I know it's going to be worth the wait.

Yet even with the loss of redevelopment,
Fremont continues to be a leader in affordable housing,

by expanding our supply and looking at creative partnerships.

In fact, in May we will be recognized for being forward thinking at a national nonprofit's awards' event.

Look for a total of 524 affordable rental housing units being developed in Warm Springs.

And currently under construction in Irvington is Laguna Commons,
a 65-unit affordable project, with nearly half the units reserved for military veterans.
It's scheduled to open in May.

Over in Centerville,
construction of 30 units at Central Commons is anticipated to begin in March 2017.

With another 80 units at Stevenson Family Apartments to start construction in early 2017.

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Rounding out Fremont's newest affordable housing inventory being planned is a highly anticipated project that will allow our seniors to age in place.

I'm talking about Parc55,

and its affordable senior community project on Mission Falls Court.

It should begin construction in late 2016 or early 2017.

Construction of 90 affordable senior units to be developed by Eden Housing will be part of the nearly 500 age-restricted housing units coming to Warm Springs.

As part of the project, a new senior community center to be owned and operated by the City

will also be constructed and paid for by the developer.

This is something the community has been asking for over the years.

With a little more patience, we anticipate that it will be up and running in 2020.

Affordable housing is a global issue in all cities.
And our region is no exception.

According to the Silicon Valley Index,
there's currently a shortage of nearly 25,000 housing units.

The underlying theme in many regional housing reports published suggests the biggest factor that will cause a slowdown in our economy is if we simply cannot create and offer enough housing for everyone.

As an attractive region for job seekers,

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the Bay Area is presented with a handful of affordable housing issues that range from increasing prices to longer commutes to more traffic congestion.

As a city, Fremont continues to make headway on our supply of affordable housing.

And although we haven't quite reached our goals yet, we are committed to doing whatever we can to alleviate the issue.

As I wrap up,
Our city has changed a lot since 1956 when five towns came together.
At our 60th Anniversary,
it's important to look and honor our past.
To see where we've come from.

But it's more important to plan for the future.
Because a city that focuses on its past, has no future.
And a city that doesn't evolve, will wither.
Our area once provided the world
the staples of life,
such as salt, olives, and grapes.
We now provide the world the staples of a global economy.
Advanced manufacturing,
cleantech,
and biotech.

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Yes, it's important to look at the past,

but it's more important to look to the future.

To see where the City will be in 40 years, when Fremont celebrates its 100th birthday.

Thank you.